
FISCAL UPDATE Article

Fiscal Services Division

May 30, 2018



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END OF SESSION - HF 2440 - WATER QUALITY PROGRAM TECHNICAL CORRECTIONS ACT

Water Quality Technical Corrections Act. [House File 2440](#) (Water Quality Technical Corrections Act) makes changes to [SF 512](#) (Water Quality Act) that was signed by the Governor on January 31, 2018. The Act makes the following changes:

- Eliminates the requirement that a drainage or levee district must install edge-of-field infrastructure.
- Gives priority to communities with drinking water facilities that have a water source listed on the [federal impaired waters listing](#) for funding from the Wastewater and Drinking Water Treatment Financial Assistance Program.
- Defines the term “specified industry” and adds it to the list of eligible entities that can apply for funding from the Water Quality Financing Program.
- Adds rural improvement zones to the list of eligible entities that can participate as a member of a Watershed Management Authority.
- Gives priority for surface water projects that supply drinking water to communities and that are listed on the federal impaired waters listing for funding from the Water Quality Infrastructure Program.
- Creates a 2018 interim study committee that will review issues faced by small cities to comply with federal and State clean water standards. The committee will submit its findings and recommendations during the 2019 Legislative Session.
- Extends the time period for the use of the money for the Nutrient Reduction Strategy Measurement Pilot Project funding through FY 2020. Specifies the funds can be used for the Nutrient Reduction Strategy Measurement Pilot Project or can be used for education and outreach programs by the Department of Agriculture and Land Stewardship (DALS) in cooperation with Iowa State University (ISU).
- Requires an annual report that details expenditures for the following programs: the Wastewater and Drinking Water Treatment Financial Assistance Program, the Water Quality Financing Program, the Urban Infrastructure Program, and the Water Quality Agriculture Infrastructure Program. The first report will be submitted by October 1, 2019, to the Governor and the General Assembly. Annual reports for each of the programs are required by October 1 of each year.

[Senate File 494](#) (FY 2015 Agriculture and Natural Resources Appropriations Act) transferred \$1.2 million from the Agriculture Management Account of the Groundwater Protection Fund to the College of Agriculture and Life Sciences (CALS) at ISU for a three-year Nutrient Reduction Strategy Measurement Pilot Project to develop protocols for measuring the annual progress of the Iowa Nutrient Reduction Strategy. The CALS contracted with the Iowa Nutrient Research and Education Council (INREC) to conduct a pilot project and the agreement between ISU and the INREC.

Fiscal Impact. The Act has no fiscal impact to the State. As of May 1, 2018, there was \$504,000 remaining from the \$1.2 million transfer for the Nutrient Reduction Strategy Measurement Pilot Project. The money can be used for the Nutrient Reduction Strategy Measurement Pilot Project or the DALS can use the money for education and outreach programs in cooperation with ISU.

Enactment Date. The Act was approved by the General Assembly on May 4, 2018, and signed by the Governor on May 16, 2018.

Effective Date. The Act takes effect upon enactment.

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